

# FLIGHT

and  
AIRCRAFT ENGINEER

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## The Outlook

### £2 Million

BRITISH nationalized commercial aviation has not got off to a very good start. The first balance-sheet published, that of the British European Airways Corporation, shows a loss of some £2 million. Rumour had saddled it with an even greater loss, but the actuality is bad enough in all conscience. The taxpayer may well grumble at having to pay for what probably appears to him a luxury enjoyed by a few who could, in any case, have afforded to pay more for their transport. He is unaware, and would probably not be very interested if he knew, that the fares on the Continental routes are fixed by international agreement, and that, as the report points out, they have not generally kept pace with rising costs of airline operation.

That section of the public which takes more than a passing interest in aviation, the picture does not look so hopeless. It is only too easy to dismiss the whole affair by saying that the loss shows gross inefficiency in management. That is the sort of talk which one hears on many sides. But if one wishes to be fair to the Corporation, the explanations given in the report should be studied carefully. In our view they are quite reasonable, and they go a long way towards showing that many of the factors which entered into the operations were beyond the control of the members of the B.E.A.C.

One important factor was the compelling need to operate uneconomical aircraft when the Viking, which is now a very useful type, was taken out of service because of the instability caused by icing of the tail, on December 8th, 1947, in order that modifications could be introduced. At the same time the fuselage was lengthened so as to give room for three more seats. The aircraft were not returned to service until after March 31st, 1947, the end of the period covered by the report. A good deal of revenue was lost through that cause, not to mention four months' operating experience.

Another cause of extra expense and loss of revenue was the lack of ground facilities. At Northolt, for instance, there were no proper lighting and heating arrangements in the hangars. The consequence was that night maintenance was impossible, and the aircraft could not be fully employed. Airport and navigational facilities were also inadequate, both at home and abroad, and on the European routes three out of every ten services had to be cancelled during the hard winter in February and March. The lack of navigational and blind-approach aids meant that the aircraft had to carry extra fuel, in case of diversions, and that meant loss of payload.

On the internal services the Corporation was handicapped by the high landing fees charged and by having to pay the full duty on fuel and oil. In a full year's working it is estimated that the cost of landing fees would amount to £200,000, while duties on fuel and oil would account for about £100,000. The landing fees charged at home are, generally speaking, higher than those charged on the Continent.

The unfair system of priorities has also been a thorn in the side of the Corporation. The priority seats were paid for only if used, and cancellations generally came too late for the seats to be sold to ordinary passengers. In that way a loss of £26,000 was incurred.

There are many other items which contributed to the large deficit, but those mentioned will serve to indicate that, while there may be room for improvement in management, the Corporation could hardly have been expected to show a profit in the circumstances.

### The Operational Side

ONE very commendable feature of the B.E.A.C. report is the clearness with which the accounts are presented, and the very full and frank explanation of how some of the less obvious figures were derived. The admission is made that, in order to be able to submit the accounts within a reasonable time